us internet industry association

January 22, 2003

The Honorable Ronald Wyden Senator from Oregon 516 Hart Senate Office Building Washington, DC 20510

Dear Senator Wyden:

I am writing to express the support and appreciation of the members of the US Internet Industry Association (USIIA) for your efforts to prevent discriminatory and punitive taxation of the Internet through the Internet Tax Non-Discrimination Act.

The USIIA is the nation's oldest and largest trade association for electronic commerce, content and connectivity, and represents a broad cross section of the Internet industry that includes a significant number of Internet Service Providers. Our efforts are directed to the growth and well-being of the Internet industry, and to the pursuit of public policies in support of faster, better and more cost-effective access for consumers.

Senator, our members are concerned that without passage of S.52, the state taxing authorities will act to cripple the Internet industry under circumstances even their own legislatures would not approve or endorse.

Through the application of multiple and discriminatory taxes, the states seek to widen the digital divide by driving the cost of Internet access beyond the reach of working families. They seek to crush small businesses under the burden of thousands of tax collection and remittance requirements. And they seek to strangle the electronic economy in the name of short-sighted tax revenues.

It was our great pleasure to assist you and Representative Cox in the drafting and passage of the 1998 Internet Tax Freedom Act. That Act has been a powerful stimulus to the development of electronic commerce, and deserves an extension as outlined in S.52. It is our desire to assist you in this effort through the work and support of our members across the nation.

If there are other measures of support we may provide, please do not hesitate to call on us.

Respectfully.

David P. McClure President & CEO

and P. McClura

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